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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/892,628	06/28/2001	Bill Kitchen	3350-05I	5979

20457 7590 03/11/2005

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EXAMINER

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ART UNIT PAPER NUMBER

3622

DATE MAILED: 03/11/2005

Please find below and/or attached an Office communication concerning this application or proceeding.



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BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Application Number: 09/892,628
Filing Date: June 28, 2001
Appellant(s): KITCHEN ET AL.

MAILED

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GROUP 3600

Sterling W. Chandler
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 12/13/2004.

(1) *Real Party in Interest*

A statement identifying the real party in interest is contained in the brief.

(2) *Related Appeals and Interferences*

A statement identifying the related appeals and interferences which will directly affect or be directly affected by or have a bearing on the decision in the pending appeal

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is contained in the brief. Nevertheless, the Examiner wants to point out that application number 09/867,587 hasn't been allowed.

(3) Status of Claims

The statement of the status of the claims contained in the brief is correct.

(4) Status of Amendments After Final

No amendment after final has been filed.

(5) Summary of Invention

The summary of invention contained in the brief is correct.

(6) Issues

The appellant's statement of the issues in the brief is correct.

(8) Claims Appealed

The copy of the appealed claims contained in the Appendix to the brief is correct.

(9) Prior Art of Record

5,699,528

HOGAN

12-1997

(10) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 101

Claims 34-45 and 56-63 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful,

concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather,

statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, independent claims 34 and 56 clearly recite "useful, concrete and tangible results" ("presenting billing information"), however the claim recites no structural limitations (i.e., computer implementation), and so it fails the first prong of the test (technological arts).

The claims can be performed "by hand" or "manually with paper records" therefore it fails to pass the first prong technological arts test and therefore recites non-statutory subject matter under 35 USC 101.

Claim Rejections - 35 USC § 102

Claims 34, 38, 41-43, 46, 50-51, 53-54 are rejected under 35 U.S.C. 102(b) as being anticipated by Hogan (5,699,528 hereinafter Hogan).

With respect to claims 34, Hogan teaches a process for electronically presenting bills (Figure 11). Displaying, in a first portion of a single screen, a bill of a biller including at least one of a total amount, due date and a minimum amount due, and a payment due date (Figure 4); displaying, in a second portion of the single screen, bill payment information including a payment date area for displaying a payment date, and a payment amount area for displaying a payment amount (Figure 4).

With respect to claim 38, Hogan further teaches that the displayed bill payment information includes a periodic payment area for displaying a periodicity at which further payments of the displayed payment amount are to be made after the displayed payment date (see figure 4, item 411).

With respect to claims 42-43, Hogan further teaches that the displayed bill payment information includes a payee area for displaying a payee name, and further comprising receiving a user command identifying a biller (i.e. the user clicks/identify the biller)(Figure 10); and automatically displaying a name of the identified biller as the payee name in the payee area (i.e. the biller identified will be the one displayed)(Figure

11); wherein the bill and the bill payment information are displayed in response to the identification of the biller)(Figures 10-11).

With respect to claims 46 and 51, Hogan teaches a system for electronically presenting bills authorizing payment (Abstract). A display configured to present in a first portion of a single screen, a bill of a biller including at least one of a total amount due and a minimum amount due and a payment due date (Figure 4), and in a second portion of the single screen, bill payment information including a payment date area for displaying a payment date, a payment amount area for displaying a payment amount (Figure 4), and a payment authorization indicator for authorizing payment of the displayed payment amount on the displayed payment date (see Figure 4, item 411); an input device for activating the payment authorization indicator (see Figure 4, 411); and a processor for generating a message to authorize payment on the displayed payment amount on the displayed payment date based on the activation of the payment authorization indicator (i.e. a message is sent authorizing the payment based on the user's selection)(see figure 4).

With respect to claim 50, Hogan further teaches that the displayed bill payment information includes a listing of the selected periods (See figure 4); the input device is further configured to receive a user selection of one of the listed selectable periods (see figures 4, 7 and 10); the bill payment area includes a payment period area for displaying the selected period (see figure 10); the processor is further configured to generate the message to authorize payment of the displayed payment amount on the displayed payment date and thereafter at the displayed selected period based on the activation of

the payment authorization indicator (i.e. the user selects the due date of the bill amounts that he or she wants to pay and a message is sent authorizing the payment)(see Figure 11).

With respect to claims 41 and 53, Hogan teaches the input device is further configured to receive a user command to change the displayed payment date to a modified payment date (i.e. the user can change the date to another date)(see Figure 4, item 407); the processor is further configured to automatically generate an instruction to change the displayed payment date to the modified payment date, based on the user change command (i.e. when the user chooses another date the display will be modified so that the user can enter a new date)(see Figure 4).

With respect to claim 54, Hogan further teaches that the displayed bill payment information includes a payee area for displaying a payee name, and further comprising receiving a user command identifying a biller (i.e. the user clicks/identify the biller)(Figure 10); and automatically displaying a name of the identified biller as the payee name in the payee area (i.e. the biller identified will be the one displayed)(Figure 11); wherein the bill and the bill payment information are displayed in response to the identification of the biller)(Figures 10-11).

Claim Rejections - 35 USC § 103

Claims 35-37, 39-40, 44-45, 47-49, 52 and 55-63 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hogan.

Claims 35-37, 47, 48, 56 further recite that the payment date pre-dates the displayed payment due date by an amount of time corresponding to a time period for making payment in a particular manner is automatically displayed initially in the payment date area as the payment date. Hogan teaches that the bill is posted and sent as the bill information concerning the subscriber is received and the customer can pay the bill as soon as the bill is received then the payment date pre-dates the due date of the bill(see col. 5, lines 53-61 and Figure 4). Hogan does not specifically teach that the payment date corresponds to a time period for making payment in a particular manner. Official notice is taken that it is old and well known in bill paying for billers to specify a time period where they no longer will receive checks but where the only payments accepted will be money orders or cash in order to avoid prolonging the time period of payment. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included the payment period to corresponds to a time period for making a payment in a particular manner in order to obtain the above mentioned advantage.

Claim 39 further recites an indicator indicating that the displayed payment amount has been paid. Official notice is taken that it is old and well known to indicate or display an indication that a bill has been paid. For example, when a person makes a deposit or payment through an ATM a display or print out is received showing that the transaction was completed. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included an indicator that the displayed amount has been paid in order to obtain the above mentioned advantage.

Art Unit: 3622

Claims 40, 45, 52 further recite that the displayed information is displayed in a format of a check and that a cancelled check stamp indicate that the displayed amount has been paid. Hogan teaches on figure 4 item 409 that the customer can opt to pay with a checking account. Hogan is silent as the details of the display when the checking account is selected and indication when the check has been paid. Nevertheless, it would make sense if paying with a check to change the display because such a modification would allow the customer to interact with a display that he or she is familiar with. An indication of or cancelled check stamp is old and well known to assure the customer that the check has been paid. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included a check stamp indicating that the check has been paid in order to obtain the above mentioned advantage.

Claim 44 further recite a portion associated with the displayed bill, another portion corresponding to advertisements and another portion associated with customer care. Hogan teaches a portion associated with the displayed bill and customer care such as grievance(see Figure 4). Hogan does not specifically teach a portion associated with advertisements. Official notice is taken that it is old and well known in bill payments to send advertisements with bills to induce the customers to make purchases. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included including a portion of the bill to include advertisements in order to achieve the above mentioned advantage.

With respect to claim 49, Hogan further teaches that the first type payment mode is payment by check and the second type payment mode is payment by electronic fund transfer (see Figure 4, item 411).

With respect to claim 57, Hogan further teaches that the displayed bill payment information includes a periodic payment area for displaying a periodicity at which further payments of the displayed payment amount are to be made after the displayed payment date (see figure 4, item 411).

Claim 58 further recites an indicator indicating that the displayed payment amount has been paid. Official notice is taken that it is old and well known to indicate or display an indication that a bill has been paid. For example, when a person makes a deposit or payment through an ATM a display or print out is received showing that the transaction was completed. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included an indicator that the displayed amount has been paid in order to obtain the above mentioned advantage.

Claim 59 further recites that the displayed information is displayed in a format of a check and that a cancelled check stamp indicate that the displayed amount has been paid. Hogan teaches on figure 4 item 409 that the customer can opt to pay with a checking account. Hogan is silent as the details of the display when the checking account is selected and indication when the check has been paid. Nevertheless, it would make sense if paying with a check to change the display because such a modification would allow the customer to interact with a display that he or she is familiar with. An indication of or cancelled check stamp is old and well known to assure the

customer that the check has been paid. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included a check stamp indicating that the check has been paid in order to obtain the above mentioned advantage.

With respect to claim 60, Hogan further teaches that the bill payment information includes a payee area for displaying a payee name (see Figure 4).

With respect to claim 61, Hogan further teaches a selectable biller list including a plurality of billers (See Figure 10).

Claim 62 further recite a portion associated with the displayed bill, another portion corresponding to advertisements and another portion associated with customer care. Hogan teaches a portion associated with the displayed bill and customer care such as grievance(see Figure 4). Hogan does not specifically teach a portion associated with advertisements. Official notice is taken that it is old and well known in bill payments to send advertisements with bills to induce the customers to make purchases. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included including a portion of the bill to include advertisements in order to achieve the above mentioned advantage.

Claims 55 and 63 further recites that the displayed information is displayed in a format of a check . Hogan teaches on figure 4 item 409 that the customer can opt to pay with a checking account. Hogan is silent as the details of the display when the checking account is selected. Nevertheless, it would make sense if paying with a check to change the display because such a modification would allow the customer to interact

Art Unit: 3622

with a display that he or she is familiar with. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included displayed information is displayed in a format of a check in order to obtain the above mentioned advantage.

(11) Response to Argument

Appellant argues that Hogan does not teach a payment due date. The Examiner disagrees with Appellant because Hogan like any bill presentation, shows a payment due date for the bill, so that the payor will know when to make his payments. Hogan teaches on col. 2, lines 21-40 **"the bill information concerning the users, will includes, the amounts of individual bills, the payment due dates"** Also Figure 11 clearly teaches a single screen for displaying a bill of a biller **1105 (Electric Co.)**, total amount due **\$114.43**, a minimum amount due **\$114.43** , a payment due date **1105 (5-19-95)**, a second portion for displaying a **payment date and a payment amount**, In figure 11, the screen is divided into 2 sections.

Appellant argues that Hogan does not teach a payment amount due but admits that it teaches a "billed amount". The Examiner doesn't understand how Hogan can teach a billed amount but not a payment amount. Figure 4 and 11 of Hogan clearly teaches the "total amount now due" , In the case of Figure 4, the \$114.43 is the full amount due on the account. The allowed, pre-established partial amounts allow the payor to break into payment the \$114.43 amount. The \$114.43 or the established allowed partial payments are the payment amounts due on the account.

Appellant argues that Hogan doesn't teach future payment due date. The Examiner disagrees with Hogan because Hogan teaches on col. 6, lines 59-64 that the payee can allow for partial or recurring payments to be displayed, the server computer 160 prompts for the allowed partial payment amount to be displayed when the "allowed partial" is selected (Figure 4, 411).

With respect to claims 43, 54, and 61, Appellant argues that the Examiner is combining 2 embodiments of Hogan. Appellant is reminded that the two embodiments of Hogan are part of the same reference and therefore are combinable to make a whole.

With respect to presenting all the information on a single screen, the Examiner wants to point out that a single screen is quite different than a single window. A computer monitor contain a single screen but can display various windows or pages on the same screen. In the case of Hogan, the user is using one computer screen to display various billing information on the same computer screen and therefore it meets the claimed invention, because in Hogan all the billing information is displayed on the user's computer screen, which is only one computer screen.

Appellant argues that Hogan doesn't teach a selectable biller list on a single screen. The Examiner disagree with Applicant because Hogan teaches a list of billers and the user selects the biller to which he wants to make payments to (Figures 4 and 11). In addition, on col. 6, lines 26-30 Hogan teaches, **"all the unpaid bills are arranged in chronological order with the bill having the earliest due date displayed first. A subscriber may review other bills by clicking on up-arrow indicator 401 or down-arrow indicator 402 to retrieve the earlier or later bills"**

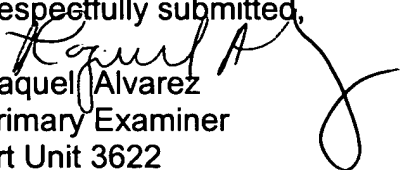
With regard to the examiner's use of Official Notice, since, Applicant didn't command a response or request of such personal knowledge such as to provide a proper challenge that would at least cast reasonable doubt on the fact taken notice of, the Official notice is sustained. See MPEP 2144.03 where In re Boon is mentioned.

Art Unit: 3622

With respect to the 101 rejection, the Examiner wants to point out that the body of the claims do not recite any computer or device that would allow to analyze or calculate the bills. Therefore, the 101 rejection has been sustained.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,


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